

October 21, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
United States Capitol
Washington, DC 20515

The Honorable Steny Hoyer
Majority Leader
U.S. House of Representatives
United States Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
United States Capitol
Washington, DC 20515

cc: Honorable Members of the U.S. House of Representatives

Dear Members of Congress,

As public servants responsible for advising and implementing cannabis policy reform at the state and municipal level, we acknowledge the historic opportunity this body has to vote on the most comprehensive marijuana reform bill introduced in the U.S. Congress, and we urge members of the U.S. House to vote YES in support of H.R. 3884, the Marijuana Opportunity Reinvestment and Expungement Act (MORE Act).

State and municipal cannabis regulators need comprehensive support in their individual and collective efforts to more responsibly and equitably manage challenges and develop solutions associated with cannabis and cannabis policy.

By removing marijuana from the Controlled Substances Act, respecting state's policies regarding legalization, affording legitimate cannabis businesses access to resources that allow them to be compliant and tax-paying businesses, developing and funding programs aimed at equitable participation in the cannabis industry and acknowledging and addressing the War on Drugs and its impacts, the MORE Act would ensure that the federal government is a partner to state and municipal regulators both in our collective responsibility to serve our community through the reform of failed cannabis policies and in our collective responsibility to recognize and correct injustices.

The status of marijuana as a Schedule 1 substance continues to cause widespread harm that persists despite efforts taken by state and municipal governments to acknowledge and reduce harm affiliated with cannabis and cannabis policy.

The harms associated with the enforcement of cannabis policies are widespread and disproportionately impact low income communities and communities of color. As such, our attempts to eliminate these harms must be systemic and comprehensive and will require collective leadership at every level of government and collaboration amongst both the public and private sectors in order to achieve outcomes by centering equity in cannabis policy development, reform and implementation.

State and municipal governments have led the charge in cannabis policy reform efforts. To date, 33 states have authorized the use of cannabis for medical purposes and at least 11 states have authorized the use of cannabis for adults 21 and over.

However, federal prohibition has created challenges not only for legitimate cannabis businesses that are compliant with state and municipal law, but also for state and municipal regulators that are tasked with leading the development and implementation of cannabis policies and programs that directly conflict with federal law in order to provide necessary industry oversight, to provide access to licensing and employment opportunities in the legitimate cannabis industry for socially and economically disadvantaged individuals and those individuals most impacted by the War on Drugs and to support responsible and equitable policy reform.

Through the administration of robust licensing and regulatory programs, authorized state and municipal governments allow cannabis consumers legal access to cannabis and cannabis products from legitimate cannabis businesses that are required to comply with regulations and standards that promote public health and safety. In return, state and local governments are increasingly seeing the legal cannabis industry as a driver of economic opportunity due to the many and diverse business and employment opportunities that are created by, and the tax revenue generated through, legitimate cannabis businesses largely without significant adverse impacts to public safety.

In states and municipalities where robust licensing and regulatory programs have been established, cannabis regulators recognize that despite complexities related to an emerging industry, legitimate cannabis businesses should be treated much like other legitimate businesses.

Federal prohibition prevents legitimate cannabis businesses from accessing banking and financial services. The continued denial of these necessary resources only stifles the ability of local and state cannabis regulators to effectively administer licensing and regulatory schemes and other programs aimed at reducing harms associated with cannabis, cannabis policy and its disparate enforcement. A continued lack of access to banking and financial services has necessitated cash-dependent and cash-intensive business models within the cannabis industry that exacerbates challenges related to tax collection and pose a public safety threat.

Furthermore, despite many jurisdictions considering cannabis an essential business due to federal prohibition, legitimate cannabis businesses do not have access to federal loans and

services aimed at promoting business growth, public health and safety amidst COVID-19. The MORE Act would both allow legitimate cannabis businesses access to banking and allow legitimate cannabis businesses access to federal loans and services. This access helps to support legitimate cannabis businesses in their efforts to be compliant and tax-paying businesses. Furthermore, by decriminalizing cannabis at the federal level, the MORE Act will enable research into marijuana which is necessary to improve public health outcomes.

Many state and municipal governments are increasingly making a commitment to not only responsibly license and regulate commercial cannabis activity, but also to pioneer and collaborate on the development of government programs that seek to acknowledge and address the harms of the War on Drugs. Over the last several years, significant progress has been made in elevating the need to center equity in cannabis policy reform. This is evidenced through recent state and local efforts to decriminalize and legalize cannabis, and the establishment of social equity programs, community reinvestment initiatives and the development of strategies addressing racial inequities in policy reform initiatives.

The MORE Act builds significantly on the efforts of state and municipal governments by establishing an Office of Cannabis Justice within the Department of Justice to administer a Community Reinvestment Program that will provide grants to service communities impacted by the War on Drugs and support substance use programs. Furthermore, by providing for a resentencing and expungement process for individuals who have been convicted of marijuana offenses, prohibiting immigration penalties based on marijuana, and preventing the denial of a federal benefit because of cannabis use, the MORE Act places a strong emphasis on restorative justice and will allow the U.S. to begin to systematically address and acknowledge those who have been impacted by cannabis criminalization.

Although some state and municipal cannabis regulators have led pioneering efforts to develop government programs aimed at promoting equitable access to opportunities in the legal cannabis industry, in many circumstances programs are underdeveloped and underfunded and many jurisdictions lack these critical programs altogether.

Within the Small Business Administration, the MORE Act would establish a Cannabis Opportunity Program to provide funding for state and municipal governments to establish loans to enable socially and economically disadvantaged individuals to participate in the legal cannabis industry and establish an Equitable Licensing Program to provide funding for state and municipal governments to use in the development of equitable licensing programs.

As many state and municipal governments continue to develop strategies aimed at promoting equitable access there is an increasing need to be able to collect demographic data in order to identify industry disparities. The MORE Act would not only fund the development of equitable licensing programs but would also enable regulators to learn and lead best practices related to licensing equity by collecting this important data.

For those of us who manage state and municipal cannabis policies, and for those individuals who have been and continue to be impacted by cannabis policy, the need for comprehensive federal reform is clear and urgent. Existing federal prohibition policies are antithetical to our collective responsibility to promote policies that are based in science, compassion and harm reduction.

We urge your support of the MORE Act and look forward to partnering with you and other leaders and stakeholders to achieve equitable outcomes.

This letter reflects the support solely of its authors.

Sincerely,

Cat Packer

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Cannabis Regulatory Commissioner, City of Oakland

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